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## **TRADE**

# **U.S., China discuss piracy, beef ban**

## **Efforts to address trade disparities set the stage for a productive visit to the United States by Chinese President Hu Jintao next week.**

**By Martin Crutsinger**

Associated Press

**WASHINGTON** - China has agreed to crack down on copyright piracy of American computer programs and lift a ban on beef from the United States as part of an effort to reduce a record \$202 billion trade gap, the Bush administration said Tuesday.

The agreements were two of several made by China during a high-level meeting designed to reduce trade tensions in advance of next week's U.S. visit by Chinese President Hu Jintao.

"Our message to China has been consistent and clear," U.S. Trade Representative Rob Portman said at a joint news conference. "American exporters, workers, farmers and service providers deserve the same access that China has to our markets."

### **HIGH EXPECTATIONS**

Chinese Vice Premier Wu Yi said that China, at the direction of top country officials, has been working earnestly to increase imports from the United States.

Wu noted that she is traveling with a delegation of more than 200 Chinese business executives with the expectation that they will sign 107 contracts to buy \$16.2 billion in U.S. products.

Included in that is a deal to purchase 80 commercial airplanes from Boeing Corp., at a list price of \$4.6 billion.

The administration said that in the area of piracy, the Chinese agreed to require that computers use legal software and to step up enforcement of intellectual property rights. They also pledged to close Chinese optical disk plants that are producing pirated CDs and DVDs.

### **COMPUTER SYSTEMS**

In her comments, Wu said regulations would be issued stipulating that all computers sold in China must have legal operating systems.

Commerce Secretary Carlos Gutierrez said China had agreed to reopen its market to U.S. beef after clearing up some remaining technical issues.

"We both committed to work closely together to do this quickly," he said at the conclusion of the annual meeting of the U.S.-China Joint Commission on Commerce and Trade.

The administration has been pushing the Chinese for greater commitments to deal with trade barriers, which U.S. firms contend are costing them billions of dollars in lost sales, and to stop holding down the value of their currency in relation to the dollar.

### **SOARING TRADE DEFICIT**

The administration is under growing political pressure to show progress in dealing with a soaring trade deficit with China that critics say has contributed to the loss of nearly 3 million manufacturing jobs since 2000.

The National Association of Manufacturers said the package of commitments represented "incremental contributions" to solving the trade gap between the two nations.

"As helpful as these individual steps are, they need to be followed by systemic changes that will put our trade relationship on a more fair basis," according to Frank Vargo, the organization's vice president.

Vargo said his group was hopeful that the Bush-Hu meeting next week would produce a breakthrough in a long-standing dispute over China's currency system.